The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 26, 1921, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

WE PLEDGE— 1 BILLION DOLLARS IN WAR SAVINGS BONDS FOR VICTORY

WHOLE NO. 1709 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, JANUARY 11, 1944 | GEORGE MEANY, Secretary-Treasurer | VOL. 34, NO. 2

FACING the FACTS

With PHILIP PEARL

Thank God for freedom of speech. In all the torrent of abuse which has been poured upon labor in the press and over the radio in the past few weeks, we have still been able to detect from time to time a note of reason and an awareness of fact which all the blustering denunciation has not been able to shout down or silence.

Thus, the Philadelphia Record declares in an editorial that "Britain has a National Service Act, but it has not stopped strikes." The strike figures in Britain, as we all should know, are higher than here. And the people of Britain have been bombed.

Then how account for the difference in public reaction toward such strikes as have occurred in the two countries? We are indebted to Paul Ward of the Baltimore Sun for the answer. This enterprising reporter asked that question of four British workers now on a tour of American war plants. They said that labor has its own representatives in the Government of Britain, that labor has its own newspaper in Britain, that the constructive accomplishments of labor are appreciated in Britain because they are emphasized in the press and over the radio, while the derelictions of the small minority of workers who break away from the bounds of discipline under pressure of grievances are not ballyhooed. Instead, the grievances are promptly remedied.

A Few Quotations

We have our own opinion of the ethics of newspapers which publish anonymous charges. It is just as impossible to answer an anonymous charge as it is to answer an anonymous letter. But we find it unnecessary to attempt to express our opinions in this matter because the Pittsburgh Post-Gazette has done so admirable a job on this subject. The newspaper apologized editorially for having published in an early edition a brief press association dispatch on the anonymous statements later attributed in other newspapers to Gen. Marshall. The editorial flatly stated that the Pittsburgh Post-Gazette believes that any public official who has something to say to the public should have the courage and honesty to say it under his own name rather than under the cloak of anonymity. The newspaper announced it would not publish any future anonymous statements.

As to the validity of the anonymous charges, we believe the associate editor of the Memphis Press Scimitar, Mr. Ralph Millett, supplied the answer. He wrote that American workers have done in this war "the biggest job in all history." Who made the 85,000 airplanes turned out last year, he asks. Who produced 19 million deadweight tons of ships in 1943? Who dug the coal and made the steel and the aluminum? "American workmen!"

Think It Over

"Let's drink a toast to the American working man," suggests Mr. Millett. "He is great because the country he lives in is great and the country is great because he is great.

"How much coal can you dig with a dollar bill?

"How much steel can you produce with a bank account?

"Think it over!"

Yes, we believe the American people will think it over when all the shouting has died down and when the facts once more come to the fore.

We believe they will think over the scandalous profits reaped by corporations in 1942, as disclosed in the minority report of the Senate Finance Committee. And they will remember that during this period the Government has kept such a tight lid on wages that workers have been unable to make up the losses suffered from steadily increasing living costs.

And we believe that the figures released by the Interstate Commerce Commission on railroad revenues as contrasted with railroad wages should be taken to heart by the American people. These figures, contained in the commission's annual report, show that the railroads' net income after taxes in the fiscal year ended June 30, 1943, was $2,097,000,000 greater than in the calendar year 1940, but that the railroad workers, who received 68.54 per cent of the 1940 income in the form of salaries and wages, got only 62 per cent in 1943, when many more workers were employed.

Are profits non-inflationary? Are only wage increases inflationary? Tell that to the marines!

Postwar Labor-Industry Teamwork Pledged By Green And Eric Johnston

Washington, D. C.—A sound and constructive basis for labor-management cooperation for the achievement of maximum production and full employment in the postwar period was agreed upon by AFL President William Green and Eric Johnston, president of the United States Chamber of Commerce, in a nation-wide "Labor For Victory" broadcast over NBC on Jan. 9.

"Our interests are identical," Mr. Green said of labor and industry. "Our fate is interdependent. Not only that—we can't look to anyone else, not even the Government, to do the job for us. We must do it ourselves if we hope to maintain our way of life and the free enterprise system."

Excerpts from the ensuing discussion follow:

Mr. Johnston—I'm glad you mentioned "free enterprise," Bill, because to my mind it's the key to our postwar success. Yet there exists enormous misunderstanding of the term. Some people interpret it as meaning unbridled capitalism, of the dog-eat-dog kind. I fear that in some labor quarters free enterprise is regarded as a fancy name for letting big business pursue its own sweet way and the public be damned. That's not it, at all. Free enterprise, as modern businessmen see it, is synonymous with service—service to labor, to the public and to the Government, in time of peace as well as in time of war. In order to render these services more effectively business and industry must be free—free from unnecessary Government restriction and free to break new ground and make new advances. And in order to be able to continue to render such services, business and industry and capital are fully entitled to fair profits. I don't mean to soft-pedal the profit motive by putting it last. Far from it. The chance to make a fair profit is the best inducement—the only practical inducement—to the investment of new capital in the postwar period and to the widest possible expansion of peace-time production.

Mr. Green—I agree with you as far as you go, Eric, but labor insists on a much broader definition of the term "free enterprise." In other words, free enterprise is not a one-way street. Labor claims a vital stake in free enterprise, too. Industry cannot expect to enjoy the benefits of free enterprise in our democracy without extending comparable benefits to the workers. The American Federation of Labor sincerely believes in the free enterprise system. We recognize the right of private ownership and management of property. We concede that the owners and managers of property are entitled to fair profits. We agree that unnecessary Government controls over business should be lifted. But, at the same time, labor demands that industry accord the right of free enterprise to the workers. That means private industry must wholeheartedly recognize the right of workers to organize into free and democratic unions of their own choice. It means that private industry must be willing to bargain collectively with unions representing the workers. It means that private industry should agree to the lifting of war-time controls on the freedom of labor in the postwar period. Finally, it means that private industry should not expect to make profits by paying substandard wages but should join with labor in seeking to raise the American standard of living.

Mr. Johnston—Speaking for the great majority of American employers, I want to assure you, Bill, that we're perfectly willing to go along with you on that basis. As practical businessmen, we realize that unions are here to stay in America. To fight them is bad business. It's costly, it gets you nowhere and it merely creates bad relations with employes. The employers of America want to work together with their employes. The war has taught them that such cooperation is good business. It brings results. It boosts production. And we know now that high production is the answer to the search for profits. I believe in high wages and high production. So do most American employers. Profit opportunities in the postwar period will not come from chiseling on wages but from boosting production. As a spokesman for the free enterprise system, I know that America will not gain from high profits on small production. American businessmen realize that we must work toward a higher and higher volume of production, with lower unit costs. That's the constructive way to obtain an increase in aggregate profits. Likewise, we know that high production cannot be sustained unless the people of America enjoy a sufficiently high purchasing power to buy and consume the products of industry and agriculture. That's why high wages mean good business.

Mr. Green—Will it be possible in the postwar period for private industry to attain the big objective we all agree on—maximum production and maximum employment?

Mr. Johnston—I am no prophet, Bill, but I can say that we have all the tools to banish mass unemployment from our land—raw materials, trained manpower, plant capacity, accumulated demands. In the postwar period, our chief enemies will be lack of courage, lack of imagination and lack of cooperation. If industry and labor and agriculture and the Government—what I call the Big Four—can team up together these enemies will be licked and we will win. If we are willing to forget for the time being the honest differences of opinion that exist among us and concentrate on the broad areas of agreement that unite us as Americans, we can do the job.

Mr. Green—Thank you, Eric Johnston. Speaking for the 6,500,000 members of the American Federation of Labor, I can assure you that we are willing to join with you in doing the job.

Green Launches New War Bond Drive, Urging Workers To Buy To The Limit

Indianapolis, Ind.—AFL President William Green launched labor's participation in the Fourth War Loan Drive by appealing to the workers of America "to strengthen the morale and fighting spirit of all those who serve in the armed forces of our country by purchasing War Bonds promptly to the fullest extent of our ability."

The campaign, which will run from Jan. 18 to Feb. 15, seeks to raise 14 billion dollars through the sale of War Bonds to the public.

Speaking to more than 200 labor leaders at a luncheon sponsored by the U. S. Treasury Department and to the nation over a coast-to-coast NBC hookup, Mr. Green pledged that the workers will "reach new heights and exceed the goals" of previous campaigns.

"Labor will do this," he said, "because it is fully conscious of the issues involved in the tragic conflict raging throughout the world. The vital principles of freedom, liberty and democracy will live if the United Nations win. They will be crushed and destroyed if the totalitarian governments succeed. These priceless blessings which the masses enjoy under a democratic form of government must be preserved at any cost. The determination of labor to achieve this purpose is reflected in the service it has rendered in the field of production, in the purchase of war bonds, and in the steadfast and uncompromising way in which it has given support to our Government during the war emergency.

"The record speaks for itself. Through unremitting toil, the workers of our country have won the battle of production for the United Nations. Without their amazing production achievements, we would never have been able to swing the tide of victory against the Axis. We would not be in a position now to launch the final thrust against Hitler. The vast quantities of ships, planes, tanks, guns and ammunition turned out by America's workers in record time have shortened our road to victory and saved countless thousands of American lives.

"This great goal was achieved by the skill, genius and service of American workers. The exhaustion that comes with long hours of work at top speed has taken a heavy toll—a far heavier toll of casualties than has been suffered thus far by our armed forces from enemy guns and bombs. Since Pearl Harbor, more than 80,000 American workers have lost their lives and 7,000,000 more have been injured on the production front.

"Having given life and limb in the cause of victory, is it conceivable that the workers of America will hold back their dollars? Again the record speaks. Since the war started, the members of the American Federation of Labor alone have invested 3 billion dollars of their savings in war bonds. Practically all of them have signed up on the payroll allotment plan whereby 10 percent of their weekly pay is deducted for war bond purchases. When the Fourth War Loan Drive opens next week, I know they will increase their normal war bond investments to the utmost limit of their ability.

"More than 1,350,000 members of the American Federation of Labor are now serving in the armed forces. They fight and offer their lives on the field of combat while the workers at home, who constitute the army of production, serve in the work shops, factories, mills, mines, and transportation systems of the nation. Only through a complete coordination of the efforts of those who constitute the army of production and those who make up the combat forces of the United Nations can Nazism and Fascism be destroyed.

"The splendid response of labor to war bond appeals is based primarily on patriotic grounds, but it also has a material foundation. The workers know full well that war bonds constitute the best investment for savings available to any American citizen. They realize that investment in war bonds will be their best insurance and protection against economic upheavals in the postwar period, when, for a time at least, work opportunities will be limited.

"The workers are conscious of the fact that every dollar put into war bonds is a dollar that will fight inflation just as surely as it will fight the enemy. They know that the extra dollar invested in war bonds by giving up comforts, amusements or even necessities may be the dollar that will buy the bullet that will end Hitler's life."

U. S. Produced 85,946 Planes In 1943; Our Output Alone Now Doubles Axis

Washington, D. C.—American workers produced 8,802 planes in December, to make the year's total 85,946, an increase for the year of 80 per cent in numbers and 127 per cent in weight as compared with the figures of 1942.

The production in December was on an average of 339 planes for each working day of the month, the figures of the War Production Board showed, continuing the upward trend of the past year, particularly in terms of airplane weight delivered.

"The trend of aircraft production during 1944 will be toward a reduction of trainer and certain other types and an increase in the urgently needed combat types," the aircraft board stated. "Thus, with the increased production of heavier bombers of the B-29 type, and the introduction of other new and high-performance types, there will be a general leveling off of production in numbers, but the production of aircraft by weight will continue on the uptrend."

United States output of airplanes is greater than that of all the rest of the world, Axis and Allies alike, T. P. Wright, director of the Aircraft Resources Control Office, declares in Aviation News.

"Although we are not entirely certain of the production of some of our Allies and of our enemies," Mr. Wright states, "it can be fairly stated that the production output of the Allies is now more than four times the enemy nations, and that the output of the United States alone is greater than 2 to 1 compared to that of the Axis, and greater than all the rest of the world combined."

Perkins Praises No-Strike Record; Hails War Achievements of Workers

Washington, D. C.—In her annual report to Congress, Secretary of Labor Perkins praised the no-strike record of labor and disclosed that the ratio of time lost through strikes to total time worked in the last fiscal year was only a tiny fraction of one per cent. Her report said:

"The no-strike pledge of labor leaders and no-lockout pledge of management for the duration was kept at a rate of better than 99 per cent during the fiscal year. The ratio of man-days lost through strike to time worked was 8/100 of 1 per cent.

"That is a good record in any field of human relations.

"Most of the few strikes and lockouts were of short duration because responsible leadership promptly ordered those on wildcat stoppages back to work and because Government provided the machinery by which industrial disputes could be adjusted in all fairness. The leaders of the labor movement for the most part cooperated with the Conciliation Service of the Department of Labor and the National War Labor Board in bringing about settlement of differences.

"Conciliation Service records show that from Pearl Harbor until the end of this fiscal year, it settled over 14,000 disputes, practically all of them without stoppages of work. The preventive work done by organized labor leaders, in keeping with the no-strike pledge of the leaders, is generally overlooked, but it has been effective in these settlements.

"American labor demonstrated skill, speed, and endurance, cooperation and vision in planning work during the year. Whole industries were converted to new products with the cooperation of labor. New methods of working were introduced with the full cooperation of workers. Labor saving devices were worked out on a large scale. Skilled labor was diluted with unskilled labor and skilled men taught the unskilled how to do a part of the work which they had learned through apprenticeship and years of experience.

"The nation's wage earners not only worked continuously in factory on assembly line, in shipyards, arsenals, mines, and on the farms to help the United Nations win the war. They bought 300 millions of dollars worth of war bonds per month out of union treasuries and by individual subscriptions. They also made additional savings to ward off inflation and thus spare themselves and their country from the confusions of an economy in chaos. They gave 2,000,000 of their members of military age to the armed forces.

"Membership in trade unions has shown a remarkable growth during the war period due to a number of reasons (1) The great increase in the number of employed persons, particularly in the heavy and high skilled industries, (2) the vigorous organizing programs of the trade unions, and (3) the protection given to organizing by the general acceptance of the National Labor Relations Act.

"A very large part of these organized workers are in the industries whose primary purpose is to supply the implements of war. Between 60 and 80 per cent of the industrial wage earners in the country are covered by collective bargaining agreements.

"Union rules were laid aside in the interests of the war production program to a marked extent, under agreements among employers and labor and the Government there would be no exploitation of those who had made the sacrifice."

Scandalous War Profits Bared While WLB Puts Lid On Wages

The Box Score On Profits

Washington, D. C.—Read the following list—only a partial list—of war profits enjoyed by corporations in this country. It was made public in the minority report of the Senate Finance Committee. It includes 100 corporations, only half the list published in the report. The committee used only the War Department's figures. There are additional lists in the records of the Navy, the RFC, the Maritime Commission and other war agencies. The table shows what each company—their names were withheld—realized after taxes in 1942 as compared with its average earnings in the base period from 1936 to 1939, which Congress has fixed as the measure of normal peace-time profits. The last column is also significant. It compares 1942 earnings, after taxes, to the company's net worth. The comparison shows several companies multiplied their entire investment many times within that single year.

Company	Net earnings after taxes: Base period (1936-39)	1942	Per cent earned on net worth 1942 after taxes
1	Deficit	210,000	73.2
2	89,000	321,000	36.9
3	690,500	2,162,000	33.3
4	36,000	356,000	63.9
5	20,000	207,000	37.5
6	102,000	352,000	26.5
7	30,000	345,000	84.8
8	302,000	656,000	34.7
9	388,000	1,033,000	23.0
10	Deficit	966,000	109.0
11	98,000	1,446,000	96.6
12	9,000	380,000	65.18
13	239,000	641,000	33.4
14	87,000	549,000	137.5
15	57,000	385,000	54.5
16	35,000	412,000	52.1
17	89,000	545,000	35.0
18	1,127,000	5,380,000	38.9
19	874,000	3,511,000	30.96
20	20,000	386,000	57.0
21	184,000	984,000	62.5
22	186,000	900,000	26.0
23	162,000	978,000	37.0
24	106,000*	411,000*	38.4
25	22,000	213,000	43.1
26	Deficit	417,000	62.1
27	Deficit	330,000	63.0
28	136,000	918,000	43.1
29	12,000	202,000	108.9
30	43,000	322,000	74.2
31	215,000	696,000	26.1
32	77,000	221,415	43.5
33	750	181,000	83.8
34	607,000	2,511,600	28.3
35	27,000	247,000	70.8
36	Deficit	1,748,000	29.0
37	785,000	3,492,000	34.4
38	7,000	1,035,000	500.0
39	135,500	994,000	18.0
40	15,000	229,000	93.4
41	107,000	506,000	36.1
42	161,000	1,059,000	51.9
43	Deficit	331,000	45.8
44	Deficit	7,922,000	79.8
45	125,000	564,000	49.0
46	160,000	584,000	28.5
47	Deficit	315,000	630.0
48	11,250	232,000	37.1
49	89,000	795,000	171.0
50	366,000	3,001,000	71.4
51	77,000	352,000	26.4
52	2,000	138,000	197.1
53	Deficit	159,000	42.7
54	47,000	561,000	96.4
55	65,000	1,549,000	124.3
56	431,000	2,877,000	37.9
57	4,300	277,000	53.8
58	95,000	347,000	28.3
59	6,000	154,000	68.4
60	11,000	150,000	102.0
61	79,000	565,000	48.9
62	6,000	81,000	965.0
63	19,000	376,000	101.9
64	345,000	1,711,000	43.2
65	19,000	150,000	45.6
66	91,000	374,000	39.1
67	5,400	147,000	132.6
68		309,000**	112.0
69	4,000	336,000	41.5
70	19,000	100,000	37.2
71	5,000	344,000	76.0
72	144,000	844,000	38.2
73	1,425,000	2,766,000	26.1
74	41,000	276,000	62.6
75	62,000	754,000	23.8
76	12,000	312,000	182.9
77	None	258,000	143.3
78	64,000	1,004,000	46.6
79	20,709,000	30,325,000	16.9
80	2,112,000	6,942,000	41.02
81	None	124,000	100.0
82	3,000	677,000	138.0
83	99,000	289,000	29.4
84	142,000	532,000	28.2
85	595,000	5,283,000	81.0
86	None	2,670,000	68.2
87	80,000	277,000	44.7
88	Deficit	806,000	157.7
89	9,000	278,000	151.0
90	Deficit	303,000	142.0
91	22,000	214,000	43.13
92	None	280,000	43.5
93	192,000	832,000	45.4
94	12,000	737,000	28.2
95	None	559,600	306.7
96	5,000	200,000	120.0
97	24,000	297,000	75.2
98	338,000	1,454,000	51.2
99	Deficit	930,000	54.5
100	Deficit	215,000	50.1

* Profits before taxes. ** Company organized in 1939.

Senate Finance Group Discloses Shocking Figures On War Profiteering

Washington, D. C. — Scandalous war profits made by American corporations were revealed in a minority report of the Senate Finance Committee.

The report, submitted by Senator David I. Walsh, of Massachusetts, and concurred in by six other Senators, cited four companies by name and listed the exorbitant profits of 200 other corporations without naming them.

The cold figures submitted in the report tell a shocking story of mismanagement of the nation's war economy—a story of how corporations are permitted to reap profits in a single year that represent four or five times the amount of their entire investment, while workers are denied wage adjustments sufficient to make up for increased living costs.

But the committee report does not tell the whole story because its figures were limited to firms dealing with the War Department. Unquestionably, the Navy Department must have a similar list, as well as the RFC, the Maritime Commission and other war agencies which award contracts to business firms.

The committee minority attacked unconscionable war profits to kill the high-pressure lobby campaign against the renegotiation clauses of the tax law. It showed that if amendments to this law approved by the Senate Finance Committee are adopted, the Government may have to pay back to the profiteers many millions of dollars that have been recaptured through renegotiation of contracts.

The four companies cited by name in the minority report with the story of their profits were:

The Timken-Detroit Axle Co., for its 1942 profits of 8¾ million dollars, after taxes, which was more than four times as much as it made in prewar years.

The Elastic Stop Nut Corp., for its 1942 profits of $3,480,000, after taxes, as compared with $432,000 in 1939, the best year it ever had prior to the war. Its 1942 profit was 122 per cent of its net worth.

The Warner & Swasey Co., Cleveland machine tool makers, who have been advertising that business was not making money out of the war, for its 1942 profits of $5,461,000, after taxes, because this was four times its peace-time average and 49 per cent of its investment.

The Harnischfeger Corp., for its 1942 profits, after taxes, of $2,795,000 as compared with $561,000 in 1940, the best year in its recent history up to that time. This was almost five times its best prewar year.

The minority report warned that the amendments approved by the Finance Committee to the renegotiation law would exempt all of these companies, and the exemption for the last two would be retroactive, so they would get big refunds on excessive profits already returned to the government.

"These cases are not exceptional instances," the Walsh report said. "Similar profit figures are general for such articles. In 1942, the profits (after taxes) of 19 companies making perishable tools were 11 times their prewar (1936-39) average. The 1942 profits for 25 woolen textile companies had increased nine-fold. Profits of 10 lumber companies for the same period quadrupled. Fifty-three cotton textile companies realized eight times as much profit (after taxes) in 1942 as in the average prewar (1936-39) years. These figures represent profits before renegotiation."

Women's Auxiliary Leader Honored

Washington, D. C.—Mrs. Lillian Turner, president of the Joint Council of Women's Auxiliaries (AFL) of Denver, Colo., has been awarded the OPA distinguished service pin for 3,000 hours of volunteer work as price panel member of the Denver War Price and Rationing Board. The award was made when Mrs. Turner came here to appear on a radio broadcast with Price Administrator Chester Bowles and to consult with the OPA Labor Policy Committee.

Mrs. Turner, who is also president of the Bakery Workers' Auxiliary in Denver, visits 69 grocery stores in north Denver and checks with grocerymen on compliance with OPA price regulations as part of her volunteer work.

She is the mother of six children, three of them in the armed forces. One son, Fred, now in active service in Italy, is a member of the Bakery Workers' Local No. 26 in Denver. Two of her daughters are WAVES.

Reporting that many women in auxiliary groups in her area are taking an active part in consumer cooperation with the OPA programs, Mrs. Turner said, "I believe that this kind of work is a most important part of the war effort for women. We have to feed our families, war or no war," she declared, "and it is our duty to see that we keep intelligently abreast of the price and rationing picture."

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 26, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

WE PLEDGE— 1 BILLION DOLLARS IN WAR SAVINGS BONDS FOR VICTORY

WHOLE NO. 1709 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, JANUARY 11, 1944 | GEORGE MEANY, Secretary-Treasurer | VOL. 34, NO. 2

FACING the FACTS

With PHILIP PEARL

Thank God for freedom of speech. In all the torrent of abuse which has been poured upon labor in the press and over the radio in the past few weeks, we have still been able to detect from time to time a note of reason and an awareness of fact which all the blustering denunciation has not been able to shout down or silence.

Thus, the Philadelphia Record declares in an editorial that "Britain has a National Service Act, but it has not stopped strikes." The strike figures in Britain, as we all should know, are higher than here. And the people of Britain have been bombed.

Then how account for the difference in public reaction toward such strikes as have occurred in the two countries? We are indebted to Paul Ward of the Baltimore Sun for the answer. This enterprising reporter asked that question of four British workers now on a tour of American war plants. They said that labor has its own representatives in the Government of Britain, that labor has its own newspaper in Britain, that the constructive accomplishments of labor are appreciated in Britain because they are emphasized in the press and over the radio, while the derelictions of the small minority of workers who break away from the bounds of discipline under pressure of grievances are not ballyhooed. Instead, the grievances are promptly remedied.

A Few Quotations

We have our own opinion of the ethics of newspapers which publish anonymous charges. It is just as impossible to answer an anonymous charge as it is to answer an anonymous letter. But we find it unnecessary to attempt to express our opinions in this matter because the Pittsburgh Post-Gazette has done so admirable a job on this subject. The newspaper apologized editorially for having published in an early edition a brief press association dispatch on the anonymous statements later attributed in other newspapers to Gen. Marshall. The editorial flatly stated that the Pittsburgh Post-Gazette believes that any public official who has something to say to the public should have the courage and honesty to say it under his own name rather than under the cloak of anonymity. The newspaper announced it would not publish any future anonymous statements.

As to the validity of the anonymous charges, we believe the associate editor of the Memphis Press Scimitar, Mr. Ralph Millett, supplied the answer. He wrote that American workers have done in this war "the biggest job in all history." Who made the 85,000 airplanes turned out last year, he asks. Who produced 19 million deadweight tons of ships in 1943? Who dug the coal and made the steel and the aluminum? "American workmen!"

Think It Over

"Let's drink a toast to the American working man," suggests Mr. Millett. "He is great because the country he lives in is great and the country is great because he is great.

"How much coal can you dig with a dollar bill?

"How much steel can you produce with a bank account?

"Think it over!"

Yes, we believe the American people will think it over when all the shouting has died down and when the facts once more come to the fore.

We believe they will think over the scandalous profits reaped by corporations in 1942, as disclosed in the minority report of the Senate Finance Committee. And they will remember that during this period the Government has kept such a tight lid on wages that workers have been unable to make up the losses suffered from steadily increasing living costs.

And we believe that the figures released by the Interstate Commerce Commission on railroad revenues as contrasted with railroad wages should be taken to heart by the American people. These figures, contained in the commission's annual report, show that the railroads' net income after taxes in the fiscal year ended June 30, 1943, was $2,097,000,000 greater than in the calendar year 1940, but that the railroad workers, who received 68.54 per cent of the 1940 income in the form of salaries and wages, got only 62 per cent in 1943, when many more workers were employed.

Are profits non-inflationary? Are only wage increases inflationary? Tell that to the marines!

Postwar Labor-Industry Teamwork Pledged By Green And Eric Johnston

Washington, D. C.—A sound and constructive basis for labor-management cooperation for the achievement of maximum production and full employment in the postwar period was agreed upon by AFL President William Green and Eric Johnston, president of the United States Chamber of Commerce, in a nation-wide "Labor For Victory" broadcast over NBC on Jan. 9.

"Our interests are identical," Mr. Green said of labor and industry. "Our fate is interdependent. Not only that—we can't look to anyone else, not even the Government, to do the job for us. We must do it ourselves if we hope to maintain our way of life and the free enterprise system."

Excerpts from the ensuing discussion follow:

Mr. Johnston—I'm glad you mentioned "free enterprise," Bill, because to my mind it's the key to our postwar success. Yet there exists enormous misunderstanding of the term. Some people interpret it as meaning unbridled capitalism, of the dog-eat-dog kind. I fear that in some labor quarters free enterprise is regarded as a fancy name for letting big business pursue its own sweet way and the public be damned. That's not it, at all. Free enterprise, as modern businessmen see it, is synonymous with service—service to labor, to the public and to the Government, in time of peace as well as in time of war. In order to render these services more effectively business and industry must be free—free from unnecessary Government restriction and free to break new ground and make new advances. And in order to be able to continue to render such services, business and industry and capital are fully entitled to fair profits. I don't mean to soft-pedal the profit motive by putting it last. Far from it. The chance to make a fair profit is the best inducement—the only practical inducement—to the investment of new capital in the postwar period and to the widest possible expansion of peace-time production.

Mr. Green—I agree with you as far as you go, Eric, but labor insists on a much broader definition of the term "free enterprise." In other words, free enterprise is not a one-way street. Labor claims a vital stake in free enterprise, too. Industry cannot expect to enjoy the benefits of free enterprise in our democracy without extending comparable benefits to the workers. The American Federation of Labor sincerely believes in the free enterprise system. We recognize the right of private ownership and management of property. We concede that the owners and managers of property are entitled to fair profits. We agree that unnecessary Government controls over business should be lifted. But, at the same time, labor demands that industry accord the right of free enterprise to the workers. That means private industry must wholeheartedly recognize the right of workers to organize into free and democratic unions of their own choice. It means that private industry must be willing to bargain collectively with unions representing the workers. It means that private industry should agree to the lifting of war-time controls on the freedom of labor in the postwar period. Finally, it means that private industry should not expect to make profits by paying substandard wages but should join with labor in seeking to raise the American standard of living.

Mr. Johnston—Speaking for the great majority of American employers, I want to assure you, Bill, that we're perfectly willing to go along with you on that basis. As practical businessmen, we realize that unions are here to stay in America. To fight them is bad business. It's costly, it gets you nowhere and it merely creates bad relations with employes. The employers of America want to work together with their employes. The war has taught them that such cooperation is good business. It brings results. It boosts production. And we know now that high production is the answer to the search for profits. I believe in high wages and high production. So do most American employers. Profit opportunities in the postwar period will not come from chiseling on wages but from boosting production. As a spokesman for the free enterprise system, I know that America will not gain from high profits on small production. American businessmen realize that we must work toward a higher and higher volume of production, with lower unit costs. That's the constructive way to obtain an increase in aggregate profits. Likewise, we know that high production cannot be sustained unless the people of America enjoy a sufficiently high purchasing power to buy and consume the products of industry and agriculture. That's why high wages mean good business.

Mr. Green—Will it be possible in the postwar period for private industry to attain the big objective we all agree on—maximum production and maximum employment?

Mr. Johnston—I am no prophet, Bill, but I can say that we have all the tools to banish mass unemployment from our land—raw materials, trained manpower, plant capacity, accumulated demands. In the postwar period, our chief enemies will be lack of courage, lack of imagination and lack of cooperation. If industry and labor and agriculture and the Government—what I call the Big Four—can team up together these enemies will be licked and we will win. If we are willing to forget for the time being the honest differences of opinion that exist among us and concentrate on the broad areas of agreement that unite us as Americans, we can do the job.

Mr. Green—Thank you, Eric Johnston. Speaking for the 6,500,000 members of the American Federation of Labor, I can assure you that we are willing to join with you in doing the job.

Green Launches New War Bond Drive, Urging Workers To Buy To The Limit

Indianapolis, Ind.—AFL President William Green launched labor's participation in the Fourth War Loan Drive by appealing to the workers of America "to strengthen the morale and fighting spirit of all those who serve in the armed forces of our country by purchasing War Bonds promptly to the fullest extent of our ability."

The campaign, which will run from Jan. 18 to Feb. 15, seeks to raise 14 billion dollars through the sale of War Bonds to the public.

Speaking to more than 200 labor leaders at a luncheon sponsored by the U. S. Treasury Department and to the nation over a coast-to-coast NBC hookup, Mr. Green pledged that the workers will "reach new heights and exceed the goals" of previous campaigns.

"Labor will do this," he said, "because it is fully conscious of the issues involved in the tragic conflict raging throughout the world. The vital principles of freedom, liberty and democracy will live if the United Nations win. They will be crushed and destroyed if the totalitarian governments succeed. These priceless blessings which the masses enjoy under a democratic form of government must be preserved at any cost. The determination of labor to achieve this purpose is reflected in the service it has rendered in the field of production, in the purchase of war bonds, and in the steadfast and uncompromising way in which it has given support to our Government during the war emergency.

"The record speaks for itself. Through unremitting toil, the workers of our country have won the battle of production for the United Nations. Without their amazing production achievements, we would never have been able to swing the tide of victory against the Axis. We would not be in a position now to launch the final thrust against Hitler. The vast quantities of ships, planes, tanks, guns and ammunition turned out by America's workers in record time have shortened our road to victory and saved countless thousands of American lives.

"This great goal was achieved by the skill, genius and service of American workers. The exhaustion that comes with long hours of work at top speed has taken a heavy toll—a far heavier toll of casualties than has been suffered thus far by our armed forces from enemy guns and bombs. Since Pearl Harbor, more than 80,000 American workers have lost their lives and 7,000,000 more have been injured on the production front.

"Having given life and limb in the cause of victory, is it conceivable that the workers of America will hold back their dollars? Again the record speaks. Since the war started, the members of the American Federation of Labor alone have invested 3 billion dollars of their savings in war bonds. Practically all of them have signed up on the payroll allotment plan whereby 10 percent of their weekly pay is deducted for war bond purchases. When the Fourth War Loan Drive opens next week, I know they will increase their normal war bond investments to the utmost limit of their ability.

"More than 1,350,000 members of the American Federation of Labor are now serving in the armed forces. They fight and offer their lives on the field of combat while the workers at home, who constitute the army of production, serve in the work shops, factories, mills, mines, and transportation systems of the nation. Only through a complete coordination of the efforts of those who constitute the army of production and those who make up the combat forces of the United Nations can Nazism and Fascism be destroyed.

"The splendid response of labor to war bond appeals is based primarily on patriotic grounds, but it also has a material foundation. The workers know full well that war bonds constitute the best investment for savings available to any American citizen. They realize that investment in war bonds will be their best insurance and protection against economic upheavals in the postwar period, when, for a time at least, work opportunities will be limited.

"The workers are conscious of the fact that every dollar put into war bonds is a dollar that will fight inflation just as surely as it will fight the enemy. They know that the extra dollar invested in war bonds by giving up comforts, amusements or even necessities may be the dollar that will buy the bullet that will end Hitler's life."

U. S. Produced 85,946 Planes In 1943; Our Output Alone Now Doubles Axis

Washington, D. C.—American workers produced 8,802 planes in December, to make the year's total 85,946, an increase for the year of 80 per cent in numbers and 127 per cent in weight as compared with the figures of 1942.

The production in December was on an average of 339 planes for each working day of the month, the figures of the War Production Board showed, continuing the upward trend of the past year, particularly in terms of airplane weight delivered.

"The trend of aircraft production during 1944 will be toward a reduction of trainer and certain other types and an increase in the urgently needed combat types," the aircraft board stated. "Thus, with the increased production of heavier bombers of the B-29 type, and the introduction of other new and high-performance types, there will be a general leveling off of production in numbers, but the production of aircraft by weight will continue on the uptrend."

United States output of airplanes is greater than that of all the rest of the world, Axis and Allies alike, T. P. Wright, director of the Aircraft Resources Control Office, declares in Aviation News.

"Although we are not entirely certain of the production of some of our Allies and of our enemies," Mr. Wright states, "it can be fairly stated that the production output of the Allies is now more than four times the enemy nations, and that the output of the United States alone is greater than 2 to 1 compared to that of the Axis, and greater than all the rest of the world combined."

Perkins Praises No-Strike Record; Hails War Achievements of Workers

Washington, D. C.—In her annual report to Congress, Secretary of Labor Perkins praised the no-strike record of labor and disclosed that the ratio of time lost through strikes to total time worked in the last fiscal year was only a tiny fraction of one per cent. Her report said:

"The no-strike pledge of labor leaders and no-lockout pledge of management for the duration was kept at a rate of better than 99 per cent during the fiscal year. The ratio of man-days lost through strike to time worked was 8/100 of 1 per cent.

"That is a good record in any field of human relations.

"Most of the few strikes and lockouts were of short duration because responsible leadership promptly ordered those on wildcat stoppages back to work and because Government provided the machinery by which industrial disputes could be adjusted in all fairness. The leaders of the labor movement for the most part cooperated with the Conciliation Service of the Department of Labor and the National War Labor Board in bringing about settlement of differences.

"Conciliation Service records show that from Pearl Harbor until the end of this fiscal year, it settled over 14,000 disputes, practically all of them without stoppages of work. The preventive work done by organized labor leaders, in keeping with the no-strike pledge of the leaders, is generally overlooked, but it has been effective in these settlements.

"American labor demonstrated skill, speed, and endurance, cooperation and vision in planning work during the year. Whole industries were converted to new products with the cooperation of labor. New methods of working were introduced with the full cooperation of workers. Labor saving devices were worked out on a large scale. Skilled labor was diluted with unskilled labor and skilled men taught the unskilled how to do a part of the work which they had learned through apprenticeship and years of experience.

"The nation's wage earners not only worked continuously in factory on assembly line, in shipyards, arsenals, mines, and on the farms to help the United Nations win the war. They bought 300 millions of dollars worth of war bonds per month out of union treasuries and by individual subscriptions. They also made additional savings to ward off inflation and thus spare themselves and their country from the confusions of an economy in chaos. They gave 2,000,000 of their members of military age to the armed forces.

"Membership in trade unions has shown a remarkable growth during the war period due to a number of reasons (1) The great increase in the number of employed persons, particularly in the heavy and high skilled industries, (2) the vigorous organizing programs of the trade unions, and (3) the protection given to organizing by the general acceptance of the National Labor Relations Act.

"A very large part of these organized workers are in the industries whose primary purpose is to supply the implements of war. Between 60 and 80 per cent of the industrial wage earners in the country are covered by collective bargaining agreements.

"Union rules were laid aside in the interests of the war production program to a marked extent, under agreements among employers and labor and the Government that there would be no exploitation of those who had made the sacrifice."

Scandalous War Profits Bared While WLB Puts Lid On Wages

The Box Score On Profits

Washington, D. C.—Read the following list—only a partial list—of war profits enjoyed by corporations in this country. It was made public in the minority report of the Senate Finance Committee. It includes 100 corporations, only half the list published in the report. The committee used only the War Department's figures. There are additional lists in the records of the Navy, the RFC, the Maritime Commission and other war agencies. The table shows what each company—their names were withheld—realized after taxes in 1942 as compared with its average earnings in the base period from 1936 to 1939, which Congress has fixed as the measure of normal peace-time profits. The last column is also significant. It compares 1942 earnings, after taxes, to the company's net worth. The comparison shows several companies multiplied their entire investment many times within that single year.

Company	Net earnings after taxes: Base period (1936-39)	Net earnings after taxes: 1942	Per cent earned on net worth 1942 after taxes
1	Deficit	210,000	73.2
2	89,000	621,000	36.9
3	690,500	2,182,000	33.3
4	36,000	356,000	63.9
5	20,000	207,000	37.5
6	102,000	352,000	26.5
7	30,000	345,000	84.8
8	302,000	656,000	34.7
9	288,000	1,033,000	23.0
10	Deficit	966,000	109.0
11	98,000	1,446,000	96.6
12	9,000	380,000	65.18
13	239,000	641,000	33.4
14	87,000	549,000	137.5
15	57,000	385,000	54.5
16	35,000	412,000	52.1
17	89,000	545,000	35.0
18	1,127,000	5,380,000	38.9
19	874,000	3,511,000	30.96
20	20,000	386,000	57.0
21	184,000	984,000	62.5
22	186,000	900,000	26.0
23	162,000	978,000	37.0
24	106,000*	411,000*	38.4
25	22,000	213,000	43.1
26	Deficit	417,000	62.1
27	Deficit	330,000	63.0
28	136,000	918,000	43.1
29	12,000	202,000	108.9
30	43,000	322,000	74.2
31	215,000	696,000	26.1
32	77,000	221,415	43.5
33	750	181,000	83.8
34	607,000	2,511,600	28.3
35	27,000	247,000	70.8
36	Deficit	1,748,000	29.0
37	785,000	3,492,000	34.4
38	7,000	1,035,000	500.0
39	135,500	994,000	18.0
40	15,000	229,000	93.4
41	107,000	506,000	36.1
42	161,000	1,059,000	51.9
43	Deficit	331,000	45.8
44	Deficit	7,922,000	79.8
45	125,000	564,000	49.0
46	160,000	584,000	28.5
47	Deficit	315,000	630.0
48	11,250	232,000	37.1
49	89,000	795,000	171.0
50	366,000	3,001,000	71.4
51	77,000	352,000	26.4
52	2,000	138,000	197.1
53	Deficit	159,000	42.7
54	47,000	561,000	96.4
55	65,000	1,549,000	124.3
56	431,000	2,877,000	37.9
57	4,300	277,000	53.8
58	95,000	347,000	28.3
59	6,000	154,000	68.4
60	11,000	150,000	102.0
61	79,000	565,000	48.9
62	6,000	81,000	965.0
63	19,000	376,000	101.9
64	345,000	1,711,000	43.2
65	19,000	150,000	45.6
66	91,000	374,000	39.1
67	5,400	147,000	132.6
68		309,000**	112.0
69	4,000	336,000	41.5
70	19,000	100,000	37.2
71	5,000	344,000	76.0
72	144,000	844,000	38.2
73	1,425,000	2,766,000	26.1
74	41,000	276,000	62.6
75	62,000	754,000	23.8
76	12,000	312,000	182.9
77	None	253,000	143.3
78	64,000	1,004,000	46.6
79	20,709,000	36,325,000	16.9
80	2,112,000	6,942,000	41.02
81	None	124,000	100.0
82	3,000	677,000	138.0
83	99,000	289,000	29.4
84	142,000	532,000	28.2
85	595,000	5,283,000	81.0
86	None	2,670,000	68.2
87	80,000	277,000	44.7
88	Deficit	806,000	157.7
89	9,000	278,000	151.0
90	Deficit	303,000	142.0
91	22,000	214,000	43.13
92	None	280,000	43.5
93	192,000	832,000	45.4
94	12,000	737,000	28.2
95	None	559,000	306.7
96	5,000	200,000	120.0
97	24,000	297,000	75.2
98	338,000	1,454,000	51.2
99	Deficit	930,000	54.5
100	Deficit	215,000	50.1

* Profits before taxes. ** Company organized in 1939.

Senate Finance Group Discloses Shocking Figures On War Profiteering

Washington, D. C. — Scandalous war profits made by American corporations were revealed in a minority report of the Senate Finance Committee.

The report, submitted by Senator David I. Walsh, of Massachusetts, and concurred in by six other Senators, cited four companies by name and listed the exorbitant profits of 200 other corporations without naming them.

The cold figures submitted in the report tell a shocking story of mismanagement of the nation's war economy—a story of how corporations are permitted to reap profits in a single year that represent four or five times the amount of their entire investment, while workers are denied wage adjustments sufficient to make up for increased living costs.

But the committee report does not tell the whole story because its figures were limited to firms dealing with the War Department. Unquestionably, the Navy Department must have a similar list, as well as the RFC, the Maritime Commission and other war agencies which award contracts to business firms.

The committee minority attacked unconscionable war profits to kill the high-pressure lobby campaign against the renegotiation clauses of the tax law. It showed that if amendments to this law approved by the Senate Finance Committee are adopted, the Government may have to pay back to the profiteers many millions of dollars that have been recaptured through renegotiation of contracts.

The four companies cited by name in the minority report with the story of their profits were:

The Timken-Detroit Axle Co., for its 1942 profits of 8¾ million dollars, after taxes, which was more than four times as much as it made in prewar years.

The Elastic Stop Nut Corp., for its 1942 profits of $3,480,000, after taxes, as compared with $432,000 in 1939, the best year it ever had prior to the war. Its 1942 profit was 122 per cent of its net worth.

The Warner & Swasey Co., Cleveland machine tool makers, who have been advertising that business was not making money out of the war, for its 1942 profits of $5,461,000, after taxes, because this was four times its peace-time average and 49 per cent of its investment.

The Harnischfeger Corp., for its 1942 profits, after taxes, of $2,795,000 as compared with $561,000 in 1940, the best year in its recent history up to that time. This was almost five times its best prewar year.

The minority report warned that the amendments approved by the Finance Committee to the renegotiation law would exempt all of these companies, and the exemption for the last two would be retroactive, so they would get big refunds on excessive profits already returned to the government.

"These cases are not exceptional instances," the Walsh report said. "Similar profit figures are general for such articles. In 1942, the profits (after taxes) of 19 companies making perishable tools were 11 times their prewar (1936-39) average. The 1942 profits for 25 woolen textile companies had increased nine-fold. Profits of 19 lumber companies for the same period quadrupled. Fifty-three cotton textile companies realized eight times as much profit (after taxes) in 1942 as in the average prewar (1936-39) years. These figures represent profits before renegotiation."

Women's Auxiliary Leader Honored

Washington, D. C.—Mrs. Lillian Turner, president of the Joint Council of Women's Auxiliaries (AFL) of Denver, Colo., has been awarded the OPA distinguished service pin for 3,000 hours of volunteer work as price panel member of the Denver War Price and Rationing Board. The award was made when Mrs. Turner came here to appear on a radio broadcast with Price Administrator Chester Bowles and to consult with the OPA Labor Policy Committee.

Mrs. Turner, who is also president of the Bakery Workers' Auxiliary in Denver, visits 69 grocery stores in north Denver and checks with grocerymen on compliance with OPA price regulations as part of her volunteer work.

She is the mother of six children, three of them in the armed forces. One son, Fred, now in active service in Italy, is a member of the Bakery Workers' Local No. 26 in Denver. Two of her daughters are WAVES.

Reporting that many women in auxiliary groups in her area are taking an active part in consumer cooperation with the OPA programs, Mrs. Turner said, "I believe that this kind of work is a most important part of the war effort for women. We have to feed our families, war or no war," she declared, "and it is our duty to see that we keep intelligently abreast of the price and rationing picture."